

From: Wayne Western
To: johngefferth@consolenergy.com
Date: 3/18/04 8:19AM
Subject: Emery Deep Bond

Dear John, I want to clarify the current bond amount and those statements about the bond in the Technical Analysis for the abatement of violation NOV 3-39-1-1. The Division worked with you and your staff to determine the reclamation cost estimate in 2003 as part of the midterm review. The Division determined the bond amount to be \$2,208,000. In a letter dated November 21, 2003 to Lowell Braxton, you requested a bond reduction based on the Divisions reclamation cost estimate that was included in the midterm review. The Division handled that request as amendment 1773, bond reduction. The Division conditionally approved the amendment on December 22, 2003, the condition being receipt of five clean copies. The Division incorporated the reclamation cost estimates into the MRP on December 22, 2003. As of March 17, 2004, the Division has not received a rider for the bond reduction. The statement in Technical Analysis 1819, that address the amendment to NOV 3-39-1-1 "This application revises the bond calculation for the sixteen acre 4th East Portal disturbed site as \$691,478.00 and increases the bonding for the entire 66.7 acre disturbed site by \$106,549.00. The bond calculated for the 66.7 acres disturbed site is now \$1,780,464.00 (Chap III, pg 6)" refers to information stated in the amendment and not the bond amount determined by the Division. Most likely, this statement was included to show modifications to the 4th East Portal area increased the reclamation cost estimate by \$106,549. The wording in the Technical Analysis is awkward. In addition, the overlapping of the midterm, amendment 1773 bond reduction and amendment 1819 contributed to the confusion. I hope this Email clarifies the bond amount. Please call me if you have any questions. Wayne Western

CC: Pam Grubaugh-Littig